

DEPARTMENT OF FINANCIAL INSTITUTIONS

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April 8, 2003

Dear Chief Executive:

The Conference of State Bank Supervisors is sponsoring a one-day **Electronic Banking Risk Management Seminar** designed specifically for *non-technical* bank CEOs and executive staff Friday, May 2 in Anaheim.

E-Banking presents unique new risks that we all need to understand and address. This seminar is a valuable and timely opportunity for you and your executive staff to get a handle on managing these risks and preparing for an exam in this important operational area. I highly recommend this program that was developed and coordinated by my professional association, the Conference of State Bank Supervisors.

I also emphasize that our goal is *NOT* to scare you with horror stories about the risks and liability of e-banking. Quite the opposite. It is in the best interests of you and us as regulators to have an informed and involved executive staff dealing with these issues. Our program will provide you with the knowledge and tools to help you understand and manage the inherent risks of e-banking and to prepare for an exam so that you are more comfortable in working with your IT staff and the regulators.

Check out the attached agenda. I think you will agree that the topics covered are just what you, as a *non-techie* executive, need to be familiar with so you can improve your oversight of this important function in your bank.

We are especially pleased to have Carl Allen and Dan White lead this seminar. Both gentlemen are nationally known experts on e-banking who have developed and taught courses for state and federal regulators in addition speaking at industry meetings and consulting with numerous financial service firms. Their high energy and informative session will give you and your executive staff a concrete understanding of issues your bank must deal with.

I have enclosed a Registration Form and a Fact Sheet on the seminar location. Please register right away.

Please call me with any questions or comments.

Sincerely,

A handwritten signature in blue ink that reads "Donald R. Meyer". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

DONALD R. MEYER
Commissioner